



Public Service Commission

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PSC Receives Reports on Electric Reliability, Gas and Electric Safety, Customer Service of the State's Large Public Utilities

NYSEG, RG&E and Central Hudson Revenues Cut \$17.2 Million Due to Poor Reliability Performance

Revenues Cut \$2.3 Million for Central Hudson, NYSEG, RG&E and St. Lawrence Gas for Failing to Meet Customer Service Metrics

ALBANY — The New York State Public Service Commission (Commission) reviewed the State's major utilities in terms of their performance in a number of key areas in 2021, including electric reliability service, gas safety, electric safety, and customer service. As a result of the review, utility revenues collected from customers will be reduced by a total of \$19.5 million for four upstate utilities for failing to meet reliability and customer service targets. The reduced utility revenues will occur in the next rate case of each of the respective utilities.

"While most utilities are doing a good job providing safe and reliable service, several utilities have fallen short of our expectations in certain areas and we will continue to act aggressively to ensure utilities improve performance," **said Commission Chair Rory M. Christian.** "Maintaining reliability and ensuring good customer service should be a priority for utilities, and we will hold them accountable if they fail to meet our standards."

Electric Reliability: Department of Public Service staff completed its annual review of the electric service reliability performance of the New York State electric utilities and presents its report for 2021 to the Commission. The Commission relies on two primary metrics to measure performance: the System Average Interruption Frequency Index (SAIFI or frequency) and the Customer Average Interruption Duration Index (CAIDI or duration). By compiling the interruption data provided by the individual utilities, the average frequency and duration of interruptions can be reviewed to assess the overall reliability of electric service statewide.

Excluding major storms, the statewide interruption frequency for 2021 remained the same as last year and is slightly worse than the statewide five-year average. The statewide interruption duration, excluding major storms, was the same as last year's index of 1.99 hours. This is 2.4 minutes longer than the five-year average. The State experienced 38 separate storm events that qualified as major storms in 2021. Customers affected by major storms decreased 54 percent when compared to 2020, and customer hours of interruption from major storms decreased 86 percent when compared to 2020.

Reliability Performance Mechanisms are company-wide performance targets established by the Commission in rate orders; companies are subjected to negative revenue adjustments for failing to meet their reliability targets. New York State Electric & Gas Corporation (NYSEG) and Rochester Gas and Electric Corporation (RG&E) each failed to meet their frequency target. As a result, NYSEG incurred a negative revenue adjustment of \$7 million, and RG&E incurred a negative revenue adjustment of \$5 million. Central Hudson Gas & Electric Corporation (Central Hudson) exceeded its targets for both frequency and duration. As a result, Central Hudson incurred a total negative revenue adjustment of approximately \$5.2 million.

Electric Safety: The Commission established electric safety standards to safeguard the public from exposure to stray voltage and to identify and eliminate potentially harmful conditions before serious safety hazards and/or reliability deficiencies develop. The standards include, among other requirements, stray voltage testing of streetlights and electric facilities that are accessible to the public. In 2021, manual stray voltage testing was performed on approximately one million utility facilities statewide, resulting in the identification of 245 stray voltage conditions; of which 168 (69 percent) were at voltage levels of 4.5V or higher. The overall total of stray voltage findings decreased 16 percent from the 2020 level with the total number of findings above 4.5V decreasing by 20 percent. All utilities were in full compliance with all testing and inspection requirements in 2021.

Gas Safety: Department staff evaluated critical areas of gas safety, including damage prevention, emergency response, leak management, and non-compliances with safety regulations identified through staff's audit process. Overall, the data indicates that performance has substantially improved for LDCs across the State over the 19-year period staff has been reporting performance. More notably, utility performance either improved or remained consistent throughout the COVID-19 pandemic. Overall, utilities' maintained focus on the performance measures which ensured the same, if not a greater level of public safety.

The first measure, damage prevention, gauges the success of utilities in minimizing damages to buried natural gas facilities caused by excavation or demolition activities. For utilities and their contractors, in 2021, the performance remained consistent from the previous year. The second measure, emergency response, reflects the utilities' ability to respond promptly to reports of leak, odor, and emergency notifications by examining the percentage of reports that were responded to within three response time intervals. Utility performance for each of the emergency response time intervals improved in 2021.

Customer Service: The majority of the State's utilities have met or exceeded the standards of performance on measures for customer service established within their respective rate case proceedings, with the exceptions of specific metrics for Central Hudson, NYSEG, RG&E and St. Lawrence Gas Corporation (St. Lawrence). Central Hudson and St. Lawrence failed to meet their designated targets for the Customer Satisfaction Survey, resulting in negative revenue adjustments of \$600,000 and \$24,000, respectively. Additionally, NYSEG and RG&E failed to meet their respective estimated bills metric targets, resulting in negative revenue adjustments of \$750,000 and \$900,000, respectively.

The reports in these proceedings, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering the following Case Numbers in the input box labeled "Search by Case Number": Electric Reliability Performance (22-E-0134); Electric Safety (22-E-0206); Gas Safety (22-G-0165); and Customer Service (22-M-0054). Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us

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